

A regular meeting of the Michigan Public School Employees Retirement System Board was held at the General Office Building, 7150 Harris Drive, Conference Room A, Dimondale, Michigan, on Thursday, September 11, 2008. The following members, staff and observers participated:

Members Present: Ivy Bailey, Active Classroom Teacher Member
 Lenore Croudy, Community College Trustee
 Jeff Hoffman, General Public Member, Actuarial Experience
 William Lawson, Retired Finance/Operations Member and as
 a representative of the largest retiree organization
 Susan Meston, Active Superintendent Member
 Richard Montcalm, Finance/Operations Member,
 Non-superintendent
 John Olekszyk, Retiree Member
 Diana Osborn, Non-Certified Support Member
 Martha Pichla, Active Classroom Teacher Member

Via Conference

Phone: Edwin Martinson, Reporting Unit Board of Control Member

Staff Present: Phil Stoddard, Executive Secretary
 Terry Rideout, Recording Secretary

Others Present: Bonnie Carpenter, Marie Wilkerson, Ernest Dear, Don Miller, Dick Weaver, Charles Abshagen, Robert Arthur, and Iris Arthur of the Michigan Association of Retired School Personnel; Charles Agerstrand and Earl Hagstrom of the Michigan Education Association-Retired; David Martell and Steve Lenar of the Michigan School Business Officials; Rob Spagnuolo of Waverly Community Schools; Richard Schaper of Western Michigan University; Mary Ellen Caldwell of Central Michigan University; Barbara Murphy and Branko Bojicic of Blue Cross Blue Shield of Michigan; Barb Aikman of the Vision Services Plan; Krista Davis of Priority Health; Jim Wright and Carol Nolan of EyeMed; Ben Louagie of Gabriel Roeder Smith & Co.; Richard Williams of Williams & Co.; Thomas Schimpf of the Attorney General's Office; Harry J. Moore; Kathy Tober, Cindy Mooney, and Brian McLane of the Office of Retirement Services.

Call to Order

Chair Diana Osborn called the meeting to order at 10:30 a.m.

Excusing of Absent Members

Marth Pichla moved, Lenore Croudy supported, to excuse the absences of Michael Flanagan and Steven Jagusch. The motion carried unanimously.

Approval of Agenda

Lenore Croudy moved, Richard Montcalm supported, to approve the agenda as presented. The motion carried unanimously.

Board Elections

Executive Secretary Phil Stoddard asked the Nominating Committee for nominations for the Office of Chair. Edwin Martinson, on behalf of the Committee, nominated Diana Osborn for the Office of Chair. Mr. Stoddard asked if there were other nominations from the floor. Martha Pichla nominated William Lawson. Nominations were declared closed. Diana Osborn was approved for Office of Chair by a majority vote.

Chair Diana Osborn asked the Nominating Committee for nominations for the Office of Vice Chair. Edwin Martinson, on behalf of the Committee, nominated Richard Montcalm for the Office of Vice Chair. Chair Osborn requested any other nominations from the floor. Being there were no additional nominations a ballot was cast for Richard Montcalm for the Office of Vice Chair and approved unanimously.

Approval of Minutes

John Olekszyk moved, Susan Meston supported, to approve the minutes of the July 24, 2008, 2008, meeting. The motion carried unanimously.

Administrative Hearings

Proposal for Decision – Docket 2008-153 PSRS

The Board considered the case materials. Richard Montcalm moved, Susan Meston supported, that the Board adopt as its own the recommendation of the Presiding Officer in the June 24, 2008 PFD, including the proposed Findings of Fact and Conclusions of Law, and grant Petitioner's request to backdate her original

purchase of out-of-system service credit to March 2006, but deny Petitioner's request to back date her request to purchase Maternity/Childrearing Leave to October 2006. The motion carried with Lenore Croudy opposed.

Proposal for Decision – Docket 2008-597 PSRS

The Board considered the case materials. Ivy Bailey moved, Richard Montcalm supported, that the Board adopt as its own the recommendation of the Presiding Officer in the June 17, 2008, PFD, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and deny Petitioner's application for non-duty disability retirement benefits, using the form of decision and order offered by Respondent. The motion carried unanimously.

Proposal for Decision – Docket 2008-6651 PSRS

The Board considered the case materials. Richard Montcalm moved, Edwin Martinson supported, that the Board adopt as its own the recommendation of the Presiding Officer in the June 20 PFD, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and deny Petitioner's request to amend her retirement effective date, using the form of decision and order offered by Respondent. The motion carried unanimously.

Proposal for Decision – Docket 2008-8758 PSRS

The Board considered the case materials. Ivy Bailey moved, John Olekszyk supported, that the Board adopt as its own the recommendation of the Presiding Officer in the June 20, 2008 PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for non-duty disability retirement benefits. The motion carried unanimously.

New Business

Request for Rehearing/Appeal – Docket 2007-4855 PSRS

The Board considered the case materials. Richard Montcalm moved, Edwin Matinson supported, that the Board deny Petitioner's motion for rehearing/appeal, using the form of order offered by Respondent. The motion carried unanimously.

Request for Reconsideration/Rehearing/Oral Argument – Docket 2007-4864 PSRS

The Board considered the case materials. Richard Montcalm moved, Susan Meston supported, that the Board deny Petitioner's Motion for Reconsideration. The

motion carried unanimously. As a result, the request for Oral Argument was rendered moot.

Standing Reports – Committee Reports

Richard Montcalm stated that the Legislative Committee met prior to the Board meeting and reviewed some scenarios regarding how MIP-related compensation is often described in contracts and how the *Lane* decision should impact the retirement system's interpretation of these scenarios. This discussion will be brought to the full board at the next meeting.

Chair Diana Osborn stated that the Health Insurance Committee would meet following the Board meeting.

Chair Diana Osborn asked Board members to submit any preferences for Committee assignments to her.

Board Comments

Comments were received from Jeff Hoffman, William Lawson, John Olekszyk, Ivy Bailey, Susan Meston, and Diana Osborn regarding the Invest Michigan! program.

Public Comments


Comments were received from Ernest Dear, Charles Agerstrand, Earl Hagstrom and David Martell.

Adjournment

Martha Pichla moved, Richard Montcalm supported, to adjourn the meeting at 11:51 a.m. The motion carried unanimously.

OFFICIAL MINUTES


Vice Chair


Executive Secretary